



CYPRUS TRUST

Guide

Why a Cyprus Trust?

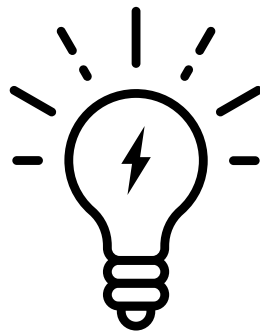
A Cyprus International Trust (CIT) offers a unique combination of **asset protection, privacy, and tax benefits**, making it a powerful tool for global entrepreneurs, investors, and families.

Key Benefits at a Glance:

- **Secure your assets:** Protect your wealth from creditors, legal claims, or uncertainties.
- **Tax efficiency:** No taxes on income generated outside of Cyprus.
- **Full confidentiality:** The names of the beneficiaries remain private.
- **Global flexibility:** Ideal for estate planning, holding assets, or business structuring.

Whether you're looking to preserve your wealth, optimize taxes, or safeguard your legacy, Cyprus is one of the most attractive destinations to establish a trust.

Ready to explore the possibilities? Let's dive in.



Advantages of a Cyprus Trust

Cyprus International Trusts are designed to provide global advantages for individuals and businesses. Here's why they stand out:

Tax Benefits

- No taxation on income earned outside of Cyprus.
- No inheritance, estate, or wealth taxes.
- Dividends, royalties, and other foreign income are tax-exempt.


Asset Protection

- Shield your assets from creditors or legal claims.
- Irrevocable trusts provide long-term security.
- Assets in a CIT are untouchable after two years from the trust's creation.

Privacy

- Beneficiaries' identities are confidential.
- No public registry for trust details.

Flexibility

- Can hold global assets like real estate, stocks, and businesses.
 - Suitable for estate planning, succession planning, and corporate structuring.
 - Both individuals and companies can be beneficiaries.
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How Can a Cyprus Trust Be Used?

A Cyprus International Trust (CIT) is incredibly versatile and can be tailored to meet various personal and business needs. Here are the most common applications:

Asset Protection

- Safeguard wealth from creditors, lawsuits, or economic instability.
- Ideal for entrepreneurs, investors, and high-net-worth individuals.
- Assets transferred into the trust legally belong to the trustees, not the settlor.



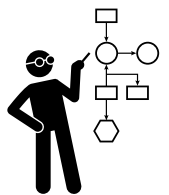
Estate and Succession Planning

- Ensure a smooth transfer of wealth to future generations.
- Avoid probate and inheritance disputes.



Business Structuring

- Use the trust to hold shares in companies or manage international investments.
- Simplify ownership structures while maintaining privacy.



Charitable Purposes

Establish a trust to support philanthropic goals or charitable organizations.



Key Requirements

To establish a Cyprus International Trust (CIT), certain conditions must be met to comply with local regulations. These ensure the trust's status and its many benefits.

The Settlor

- The individual creating the trust (settlor) must not have been a tax resident of Cyprus during the calendar year preceding the trust's creation.

The Beneficiaries

- Beneficiaries of the trust must also not have been tax residents of Cyprus during the year before the trust's establishment.

The Trustee

- At least one trustee must be a permanent resident of Cyprus or a Cypriot legal entity. This ensures compliance with Cyprus laws.

The Trust's Assets

- The trust can hold any kind of asset (e.g., property, shares, cash) located anywhere in the world.

How to Set Up a Cyprus International Trust (CIT)

To establish a Cyprus International Trust (CIT), certain conditions must be met to comply with local regulations. These ensure the trust's status and its many benefits.

1. Choose a Trustee

- At least one trustee must be a Cypriot resident or a Cypriot legal entity.
- The trustee is responsible for managing the trust and ensuring compliance with local regulations.

2. Draft the Trust Deed

- The trust deed outlines the trust's purpose, beneficiaries, assets, and terms.
- This document is legally binding and must comply with the Cyprus International Trusts Law.

3. Transfer of Assets

- The settlor transfers assets (e.g., cash, shares, real estate) into the trust.
- Assets can be located anywhere in the world.

4. Legal and Compliance Checks

- Ensure the settlor and beneficiaries meet the residency requirements (non-tax residents of Cyprus in the prior year).
- Verify that all documentation is in order to avoid legal or tax issues.

How to Set Up a Cyprus International Trust (CIT)

5. Registration (Optional)

- While Cyprus trusts are private and not publicly registered, you may choose to register the trust with authorities for specific legal or operational purposes.

6. Ongoing Management

- The trustee manages the trust assets according to the trust deed.
- Regular reviews ensure compliance and efficient management.

With the right guidance, setting up a CIT can be a seamless process that unlocks significant financial and legal advantages.



Practical Example - 1

Protecting Family Wealth for Future Generations

A married couple wants to ensure that their wealth is efficiently managed and protected for the benefit of their children and future generations. To achieve this, they establish a Cyprus International Trust (CIT) and transfer their assets into the trust.

The trustee—appointed as part of the trust—manages the assets in line with the couple's instructions.

This includes:

- Ensuring that income generated from the trust's assets is regularly distributed to their children.
- Protecting the capital to preserve the family's wealth over the long term.

By using this structure, the couple can meet their financial goals while safeguarding their legacy. The Cyprus International Trust provides them with a reliable and flexible solution that aligns with their unique needs and ensures the efficient management of their wealth for future generations.

Practical Example - 2

Securing and Managing Wealth as an International Investor

An international investor wants to protect and effectively manage her wealth using a Cyprus International Trust (CIT).

She consults a Cypriot lawyer who assists her with:

- Drafting the trust deed to outline the terms and purpose of the trust.
- Explaining the legal requirements and ensuring compliance with the Cyprus International Trusts Law.

By transferring her assets into the trust and adhering to Cyprus's legal framework, the investor gains peace of mind, knowing her wealth is both securely protected and efficiently managed.

The robust legal foundation in Cyprus provides a reliable and flexible framework for establishing and managing trusts that align with the unique needs and objectives of individuals like her.



WANT TO WORK WITH US?

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